

AMENDED IN SENATE APRIL 6, 2015

**SENATE BILL**

**No. 410**

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**Introduced by Senator Beall**

February 25, 2015

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An act to amend ~~Section 94874.7~~ *Sections 94928 and 94929* of the Education Code, relating to private postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

SB 410, as amended, Beall. California Private Postsecondary Education Act of ~~2009: exemptions~~ 2009.

*Existing law, the California Private Postsecondary Education Act of 2009, provides, among other things, for student protections and regulatory oversight of private postsecondary schools in the state. The act is enforced by the Bureau for Private Postsecondary Education within the Department of Consumer Affairs.*

*The act requires an institution to annually report to the bureau specified information regarding completion rates and license examination passage rates, among other things, and to publish that information on its School Performance Fact Sheet. The act defines numerous terms for purposes of this reporting requirement, including defining “graduates” to mean students who complete a program within 100% of the published program length.*

*This bill would add the classification of “on-time graduates” with this same meaning, for purposes of a completion rate calculation, and would redefine the term “graduate” to mean an individual who has been awarded a degree or diploma.*

~~Existing law, the California Private Postsecondary Education Act of 2009, provides, among other things, for student protections and regulatory oversight of private postsecondary institutions in the state.~~

~~The act is enforced by the Bureau for Private Postsecondary Education within the Department of Consumer Affairs. The act requires the bureau to establish, by regulation, a process pursuant to which an institution that is exempt from the act may request and obtain from the bureau verification that the institution is exempt.~~

~~This bill would make nonsubstantive changes to the provision requiring the bureau to establish that verification process.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 94928 of the Education Code is amended  
2     to read:  
3     94928. As used in this article, the following terms have the  
4     following meanings:  
5     (a) “Cohort population” means the number of students that  
6     began a program on a cohort start date.  
7     (b) “Cohort start date” means the first class day after the  
8     cancellation period during which a cohort of students attends class  
9     for a specific program.  
10    (c) ~~“Graduates”~~ “On-time graduates” means the number of  
11    students who complete a program within 100 percent of the  
12    published program length. An institution may separately state  
13    completion information for students completing the program within  
14    150 percent of the original contracted time, but that information  
15    may not replace completion information for students completing  
16    within the original scheduled time. Completion information shall  
17    be separately stated for each campus or branch of the institution.  
18    (d) “Graduates available for employment” means the number  
19    of graduates minus the number of graduates unavailable for  
20    employment.  
21    (e) (1) “Graduates employed in the field” means graduates who  
22    are gainfully employed in a single position for which the institution  
23    represents the program prepares its graduates, *beginning* within  
24    six months after a student completes the applicable educational  
25    program. For occupations for which the state requires passing an  
26    examination, the period of employment shall begin within six  
27    months of the announcement of the examination results for the

1 first examination available after a student completes an applicable  
2 educational program.

3 (2) The bureau shall define by July 1, 2014, specific measures  
4 and standards for determining whether a student is gainfully  
5 employed in a full-time or part-time position for which the  
6 institution represents the program prepares its graduates, including  
7 self-employment or conducting freelance work, and may set the  
8 standards for the hours per week and duration of employment and  
9 utilize any job classification methodology the bureau determines  
10 appropriate for this purpose, including, but not limited to, the  
11 United States Department of Labor's Standard Occupational  
12 Classification codes.

13 (3) This subdivision does not prohibit the bureau from  
14 authorizing an institution to aggregate single positions held by a  
15 graduate for purposes of meeting the hours per week standards  
16 established by the bureau.

17 (f) "Graduates unavailable for employment" means graduates  
18 who, after graduation, die, become incarcerated, are called to active  
19 military duty, are international students that leave the United States  
20 or do not have a visa allowing employment in the United States,  
21 or are continuing their education at an accredited or  
22 bureau-approved postsecondary institution.

23 (g) "Students available for graduation" means the cohort  
24 population minus the number of students unavailable for  
25 graduation.

26 (h) "Students unavailable for graduation" means students who  
27 have died, been incarcerated, or called to active military duty.

28 *SEC. 2. Section 94929 of the Education Code is amended to*  
29 *read:*

30 94929. (a) An institution shall annually report to the bureau,  
31 as part of the annual report, and publish in its School Performance  
32 Fact Sheet, the completion rate for each program. Except as  
33 provided in subdivision (b), the completion rate shall be calculated  
34 by dividing the number of *on-time* graduates by the number of  
35 students available for graduation.

36 (b) In lieu of calculating graduation data pursuant to subdivision  
37 (a), an institution may report graduation data reported to, and  
38 calculated by, the Integrated Postsecondary Education Data System  
39 of the United States Department of Education.

1     SECTION 1. ~~Section 94874.7 of the Education Code is~~  
2     ~~amended to read:~~  
3     ~~94874.7. The bureau shall establish, by regulation, a process~~  
4     ~~pursuant to which an institution that is exempt from this chapter~~  
5     ~~may request and obtain from the bureau verification that the~~  
6     ~~institution is exempt. The bureau shall establish a reasonable fee~~  
7     ~~to reimburse the bureau's costs associated with the implementation~~  
8     ~~of this section.~~

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